



WHERE THE WORLD RIDES™

BIKEEXCHANGE (ASX: BEX)

Q3 FY22 QUARTERLY
UPDATE

April 29th, 2022



Disclaimer

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The financial information should be read in conjunction with the basis of preparation set out in the Appendix on page 18.

Forward-looking statements

This presentation may contain forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "could", "expects", "intends", "anticipates", and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this document, are expected to take place. No person who has made any forward-looking statements in this document has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this document, other than to the extent required by law. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company.



BIKEEXCHANGE (ASX: BEX)

Overview

BikeExchange overview

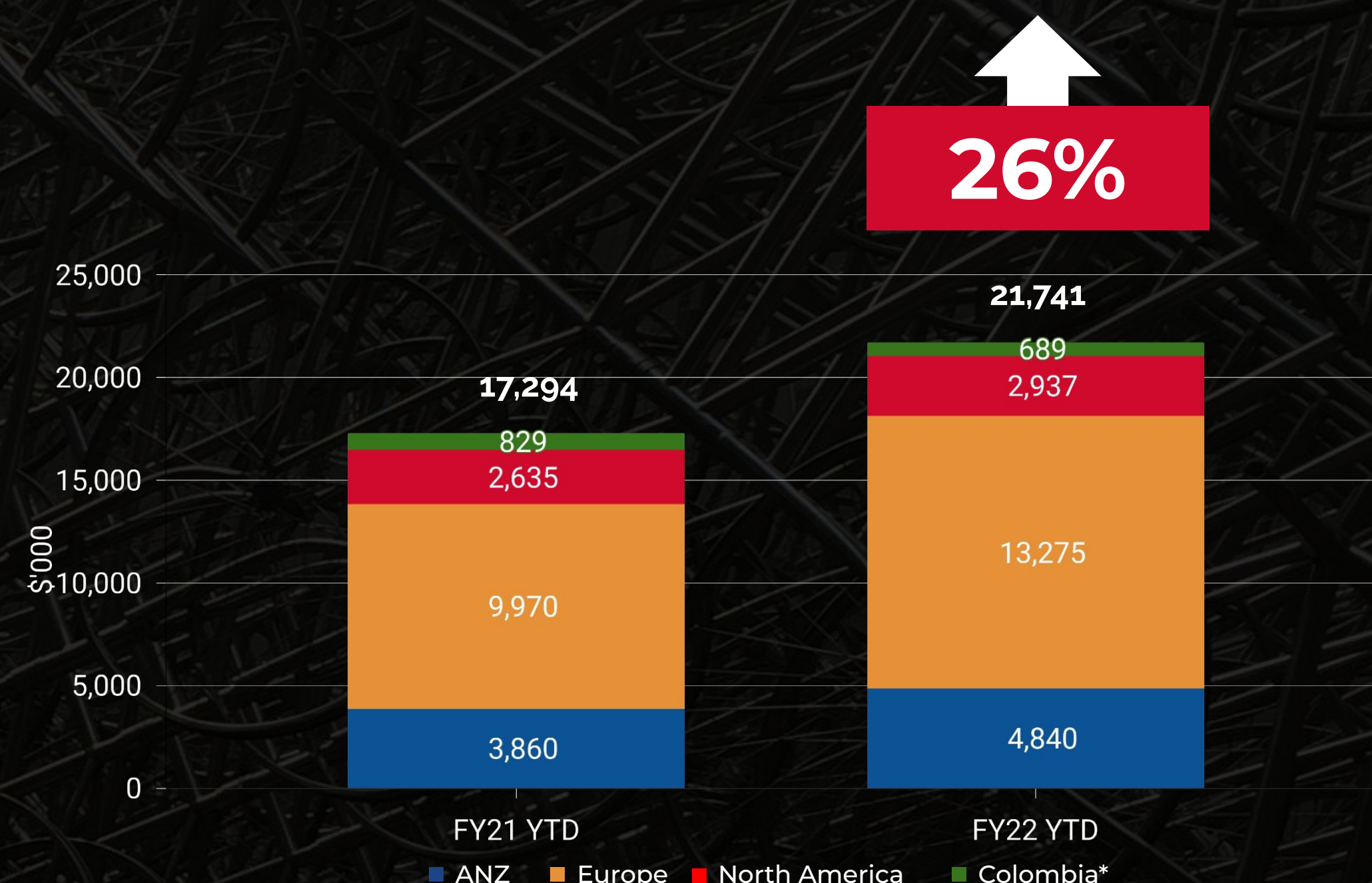
WORLD'S LEADING BICYCLE MARKETPLACE

- **BikeExchange** is one of the world's largest online cycling marketplaces.
- Operations: 8 countries & 4 hubs - ANZ, North America, Europe (Germany, Belgium & Netherlands), LatAm (Colombia¹).
- Enabling our network of brands, retailers and distributors to connect via single destination marketplaces.
- Executive team and global functional lead structure now in place, across Customer, Seller & Operations.
- Acquisition of Kitzuma in Dec 2021 offers key value-add service with delivery of 'ready to ride' bikes. Influence being demonstrated in North American market within industry and BikeExchange
- Partnership with North American electric mobility company, Simply EV, will give BikeExchange greater exposure to the fast growing e-mobility sector.
- Strategic shift to focus on e-Commerce first strategy and replicating the proven and successful BikeExchange European model into all regions.

KEY 9M YTD FY22 HIGHLIGHTS



LOOKTHROUGH TOTAL TRANSACTION VALUE² BY GEOGRAPHY – Q3 YTD FY22



1. All countries are 100% owned except for Colombia* (which was 50% Joint Venture until 2 March 2022 and then owned 100%). 2. Lookthrough Total Transaction Value and Revenue includes 50% of BikeExchange Colombia's TTV up to 2 March 2022, and 100% from then on.

All metrics above are for Q3 YTD FY22 vs pcp (active accounts as at 31 March 2022 vs 31 March 2021) and exclude BikeExchange Colombia except for Active Accounts or those marked as lookthrough. See page 18 for metric definitions.



BIKEEXCHANGE (ASX: BEX)

Q3 Summary

Q3 Summary & Highlights

- **Europe (EU)** continues to grow in the current climate with 33% TTV growth for Q3 gM YTD FY22 vs pcp.
 - TTV was down 7% on Q3 FY21, due a softer January and February due to some supply issues and seasonality. March trading was one of the strongest months on record.
 - Trend continued into April with the seasonally strong months into June.
- **Australia (AU)** recorded solid e-Commerce transaction volumes driving 9% TTV growth for Q3 FY22 vs pcp and 25% growth vs Q3 gM FY21 as more sellers joined the platform.
 - Average Order Value (AOV) has increased 15 % in Q3 FY22 YTD driven by a greater portion of sales of bikes.
- **North America (NA)** delivered 25% TTV growth for Q3 and 11% increase on Q3 YTD FY21, driven by the addition of Kitzuma revenue.
 - Average Order Volume (AOV) increasing 71% to \$1,441 driven by more bikes being sold.
- **Kitzuma** is progressing well with a record month of shipments in March delivering 33% month on month growth.
 - Annualised shipments now total 7,800.
 - Positive impact from a brand partnership and e-commerce of bikes in NA. Some phasing on partnership onboarding into Q4 FY22.
- **Colombia (COL)** TTV decreased by 17% for Q3 YTD FY22 driven by stock issues and payment gateway problems, however TTV is up 53% compared to Q3 FY21, in part due to the acquisition.
- **Website traffic** globally is down in Q3 by 27% vs PCP as post Covid traffic normalises to prior levels. This is countered by conversion increasing 38% YTD to 0.19% and 16% for Q3 driven mainly by stock availability, implementation of customer experience improvements and performance marketing.
 - While transactions for Q3 are down on pcp, AOV is up 9% for Q3 to \$817 globally, driven by the focus on bikes.

**North America
improved Trading.
Kitzuma Influence
with partners
being felt.**

**Europe Continues
good performance.
E-commerce &
Bike First Strategy
Model Executed.**

**Kitzuma delivered
record monthly
shipments**

**Traffic Reduction &
normalisation
Conversion and
AOV increased**

**Australia delivered
transaction growth
More active sellers
on platform**

Robust Growth across most key metrics FY22 Q3 YTD

\$21.7m
↑ 26%

Lookthrough TTV*

\$4.5m
↑ 31%

Lookthrough Revenue*

0.19%
↑ from 0.14%

Traffic conversion

\$0.5m

Logistics revenue

\$2,794
↑ 8%

ARPA

26,096
↑ 5%

e-Commerce Transactions

\$696
↑ 19%

Average Order Value

1,661

Logistics shipments

Over \$0.89b
↓ 33%

Enquiry value*

7.5%
↑ from 7.3%

Average Commission Rate

1,784
↑ up 9%

Active Retail Accounts*

↑ Up 33% Mar 22
on Feb 22

Logistics shipments

* All metrics for the 9 month period to 31 March 2022 vs the comparable period in FY21 and unless otherwise stated by * (enquiry value and active retail accounts) or defined as lookthrough metrics exclude BikeExchange Colombian for the full period. Refer to basis of preparation of page 18 for metric definitions. Active Retail Accounts increase of 9% vs 31 March 2021.

Kitzuma Progress & Q3 Update

- Achieved a run rate of ~**AU\$2.3 million annualised sales** (based on March 2022) with shipment rates accelerating 33% growth month on month to March 2022 which was a record month.
- Annualised shipment run-rate of 7,800 (based on March 2022) - off a base of 40+ active accounts.
- Growing brand sign ups accelerated over the last quarter. Strong brand growth potential is demonstrated through existing relationships with key brands such as Wahoo, 3T Ventum, Litespeed, Quintana Roo, LeMond, Alchemy and ENVE.
- Active partnership discussions for Kitzuma to finalise and assist with achieving gross margin breakeven point (~1,200 shipments / month) by Q1 FY23. Average shipment revenue over AUD\$300 per bike.
- Key partnership announced in April FY22 between electric mobility company, Simply EV and their portfolio of brands, and BEX presents another key growth opportunity for Kitzuma, given the assembly, delivery and servicing of e-bikes is a key difficulty in the customer journey.
- Kitzuma delivers across all major regions of North America with 90% + Coverage.
- Focused on integrating teams and skills in North America for a unified go to market proposition across BEX and Kitzuma in Q4 for FY23.

\$0.5m

Logistics revenue

1,661

Q3 Logistics shipments

**↑ Up 33% Mar 22
on Feb 22**

Logistics shipments

7,800

Annualised Shipment Rate

Key Metrics – Q3 FY22 Account & E-Commerce Metrics

Q3 FY22 (3 months) Account Metrics

↑ 4%
on Q2 FY22

Subscription Revenue*

↑ 28%
on pcp

Subscription Revenue*

\$999
↑ 22%

ARPA

1,784
↑ 3% Over Q2

Active Retail Accounts*

Q3 FY22 (3 months) E-Commerce Metrics

↓ 7%
on PCP

e-Commerce Revenue*

7,684
↓ 15%

e-Commerce Transactions

\$817
↑ 9%

Av. Order Value

7.4%
↑ Up from 7.2%

Av. Commission Rate

0.17%
↑ from 0.15%

Traffic conversion

↑ 13%
on PCP

Av. Unique Monthly Sellers

* All metrics for the 3 month period to 31 March 2022 respectively vs the comparable period in FY21 and unless otherwise stated with * exclude BikeExchange Colombia. Refer to basis of preparation of page 18 for metric definitions.

e-Mobility Partnership Announcement : Simply EV

- Announced partnership with Simply EV, North American e-mobility portfolio of brands and investment company (April 2022).
- Expands BikeExchange's e-bike customer base, driving higher revenue through larger transactions and offers greater exposure to the expanding micro mobility market which is set to grow to US\$198 billion globally by 2030*.
- Simply EV is part of Revolution Brands International, with an extensive portfolio of companies and brands in the electric mobility value chain including e-mobility retailer Simply EV, with 50+ retail and e-commerce stores in the US offering a mix of e-bikes, e-scooters, electric motorcycles, e-marine and accessories.
- Simply EV is the preferred retailer for active fashion brand, Kimoa, majority owned by Revolution Brands.
- Initially, the partnership will focus on onboarding all Simply EV brands and stores onto BikeExchange's platform, adding an important retailer to BikeExchange's growing network.
- Partnership will also leverage Kitzuma's capabilities, given the transport and assembly of e-bikes is a key difficulty in the customer journey.





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Q4 Outlook & Summary

Q4 Outlook & Focus

01

Replicate successful EU model into other regions

- Applying the learnings, skills and processes to other regions.
- Further centralisation of skills and team.
- AU has strong conversion potential with larger enquiry-only listings.
- Applying the same growth profile as BEEU over the last 3 years could see a 114% CAGR lift in combined e-Commerce revenue for NA and AU to \$5.4m from current \$0.6m.

02

Integrating Kitzuma into operations to drive growth

- Active partnership discussions for Kitzuma to finalise and assist with achieving gross margin breakeven point by Q1 FY23.
- Focused on integrating teams and skills in North America so the proposition across BEX and Kitzuma is unified.

03

Reducing Operating costs and driving e-Commerce first model

- Meaningful operating cost reductions identified and being implemented in Q4 for FY23 + Kitzuma realised cost synergies.
- E-Commerce first skills a priority in the business matching new e-Commerce operating model, replicating EU template.

04

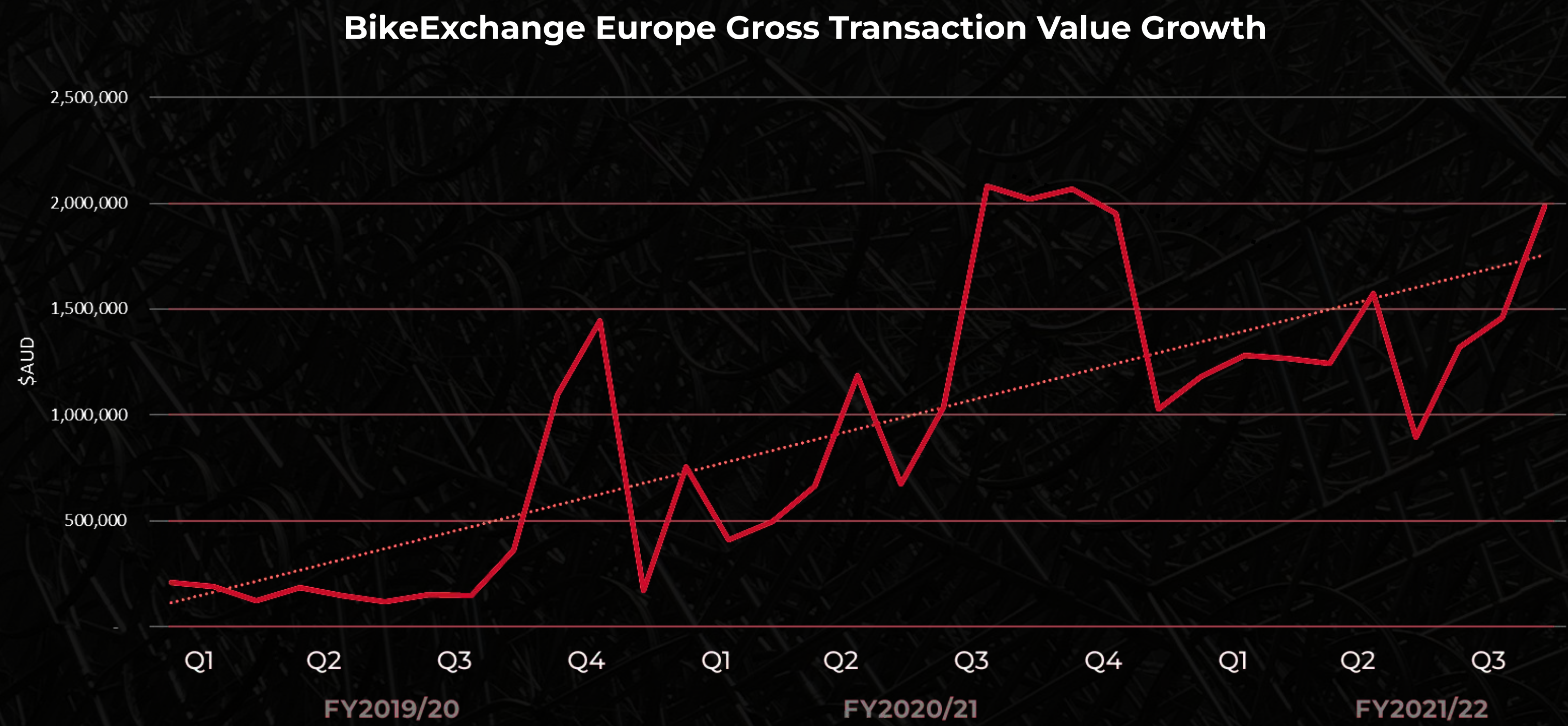
Activating More Strategic partnerships to support e-Commerce strategy

- Leverage the Kitzuma service & BikeExchange through partnerships.
- Execute Simply EV / Revolution Brands operational partnership.
- Discussions across industry and strategic partnerships with potential capital, with a view to finalise in the near term.

Expected Pathway to profitability by FY25

CAGR of greater than 80% over next 3 years

e-Commerce Growth & BikeExchange EU Model Replication



- Applying the learnings, skills and processes from EU to other regions - across:
 - Merchandising of product and ensuring accuracy of availability
 - POS Integrations of product and data mapping
 - A bike first e-Commerce approach
 - e-Commerce enablement of sellers vs enquiries
- A focus on AUS and NA will be prioritised with further centralisation of skills and team.
- AU has strong conversion potential with larger enquiry-only listings 100% focus on e-Commerce and bike-first trading.

Applying the same growth profile as BEEU between Q3 FY19 and Q3 FY23 could see a 114% CAGR lift in combined annual e-Commerce revenue for NA and AU to \$5.4m from \$0.6m.

Summary & Outlook

**Replicate
Successful EU
Model into
Other Regions**

**Integrating
Kitzuma into
Operations to
Drive Growth**

**Activating More
Strategic
Partnerships to
Support
e-Commerce
Strategy**

**Focus on
Reducing
operating costs
& driving
e-Commerce
First**

- Q4 FY22 trading into April 2022 is showing positive trends with e-Commerce volumes showing growth on pcp, in the European seasonally strong months. Kitzuma trading and performance is seeing continued positive growth with seller volumes of shipments increasing.
- Replication of the e-Commerce first BikeExchange model is being successful in the EU, across our other markets.
- Integrating Kitzuma more deeply into our operations will drive transaction volumes and expand customer relationships in the large North American market.
- Activating partnerships such as the recently announced Simply EV relationship will provide further support for our e-Commerce first strategy. The Group continues with a number of other advanced discussions with global strategic partnership opportunities that include strategic capital injections to further scale the business and network.
- We have identified meaningful operating cost reductions and are implementing these in Q4 and realising cost synergies from the Kitzuma acquisition.
- Under our pathway to profitability plan, we are targeting revenue CAGR of greater than 80% over the next 3 years in order to achieve profitability in FY25.
- TTV and revenue growth rates for FY22 are expected to be significantly above FY21. Including the acquisitions of Kitzuma and BikeExchange Colombia, the Company anticipates achieving FY22 revenues that are broadly in line with consensus revenue expectations of \$7.5m.



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Appendix

A leading competitive position

The cycling category is experiencing a once in a generation revolution

BEX is the World's largest network of cycling focused marketplaces

Diversified business with significant growth potential

- Global cycling market worth over \$80 billion.
- The micromobility category is set to grow to US\$198 billion by 2030[#].
- Continued consumer take up and growth in the mass market - outside of sport related cycling.
- Shaped by continued government investment in cycling infrastructure - cycling an active transport solution.
- Increased proactive awareness by consumers on the environmental, health & convenience aspects of cycling.
- 5.8 million* Australian adults (29% of adults between 18 & 90) spent money on cycling in 2020.

- BEX has the first mover advantage, built over a decade. 1,784 active accounts* and growing, in a four region market worth over \$15 billion.
- An established presence with a 28 million+ audience* across ANZ, Europe, North America and Colombia, to scale with capital deployment.
- Established relationships with a network of brands, retailers and sellers, delivering a compelling customer value proposition.
- Strong scalable technology foundation already in place.

- e-Commerce enabled marketplace model with diverse revenue model, and significant room to extend.
- Strong growth metrics established to date with selective capital deployment showing strength of our model.
- Key acquisition in Q2 FY22 of Kitzuma, a logistics business for the delivery of 'ready to ride' bikes from retailers to customers.
- Partnership with electric mobility company, Simply EV, announced in Q4 FY22 will add a key retailer to BikeExchange's global network, provide further opportunities for Kitzuma and strengthen our North American presence.

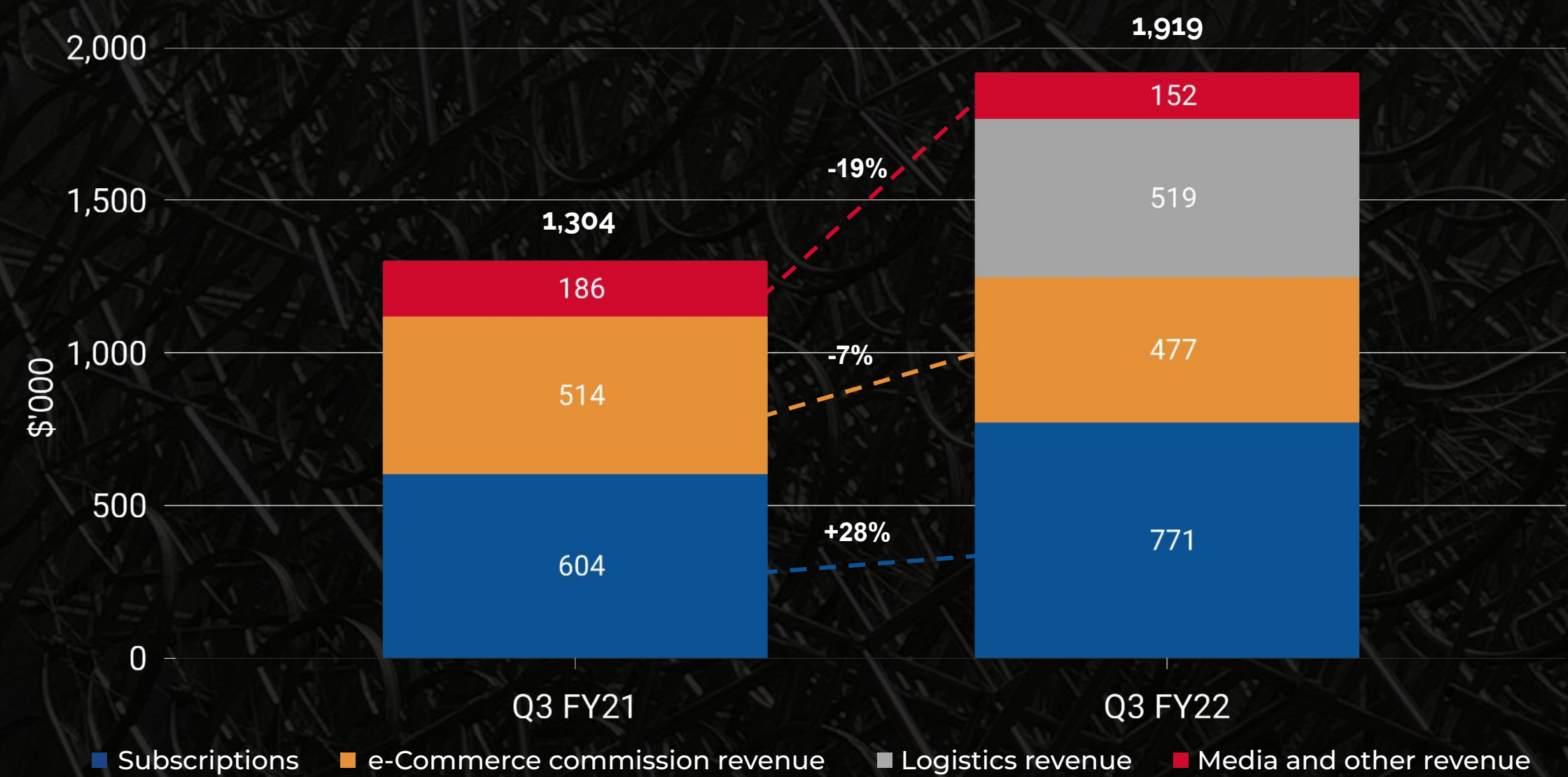
* Active Accounts as at 31 March 2022. Audience reflects annual traffic sessions for the FY21 year. Refer to basis of preparation of page 18 for metric definitions.

+ Australian Cycling Economy Report Published October 2021 by EY and We Ride.

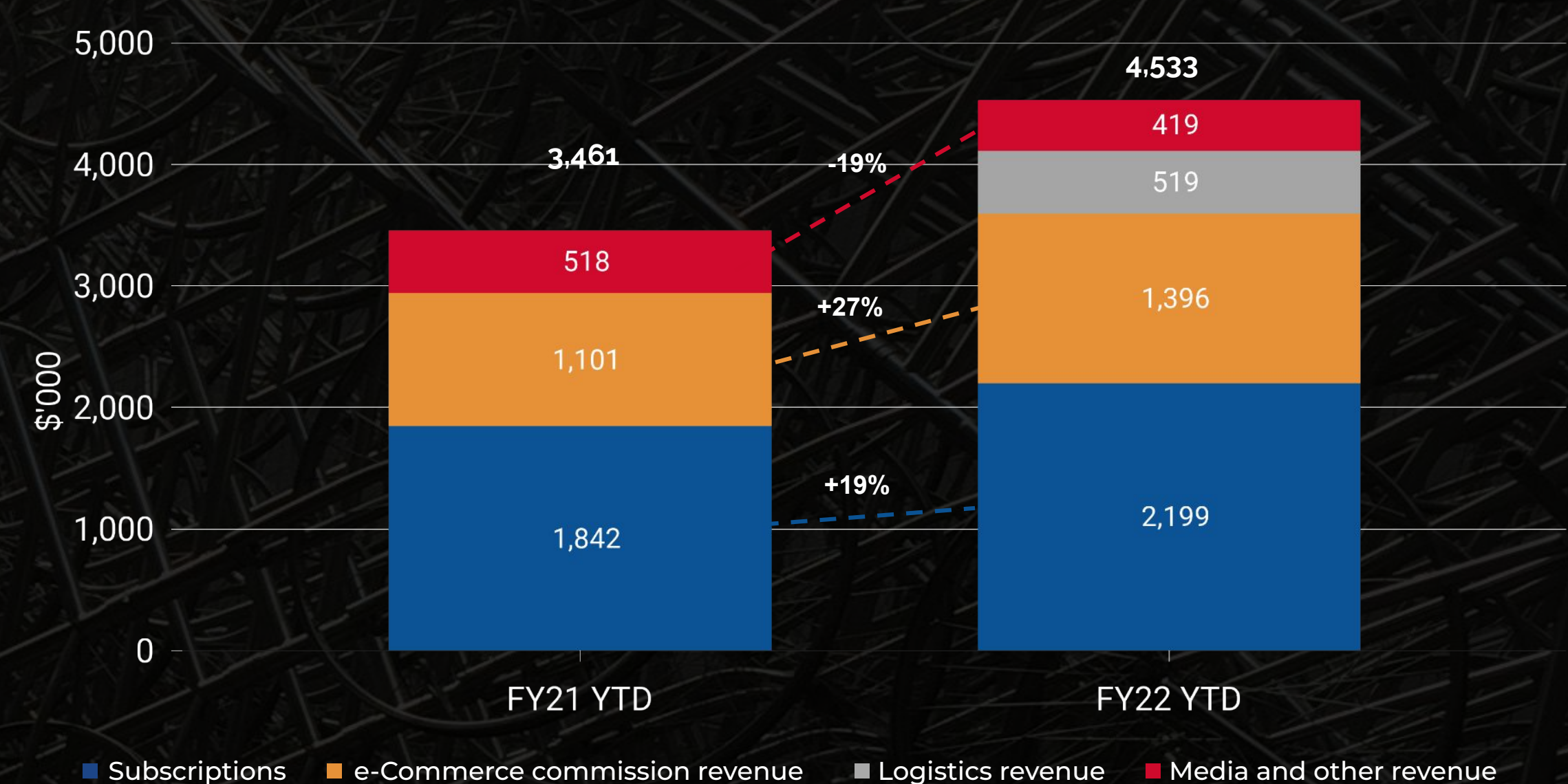
[#]Precedence Research, 'Micro-mobility Market Size to Surpass US\$ 198.03 Bn by 2030', January 2022

TTV and revenue performance – Q3 FY22 & Q3 FY22 YTD

LOOKTHROUGH REVENUE BY CATEGORY - Q3 3m



LOOKTHROUGH REVENUE BY CATEGORY Q3 YTD



Q3 FY22 (3M) in \$ thousands	Australia and New Zealand	Europe	North America	Colombia ¹	Total
Lookthrough TTV	1,262	5,143	1,202	301	7,908
Growth on pcp	9%	(7%)	25%	53%	1%
Lookthrough Revenue	419	720	651	129	1,919
Growth on pcp	2%	22%	224%	24%	47%

Q3 YTD FY22 (9M) in \$ thousands	Australia and New Zealand	Europe	North America	Colombia ¹	Total
Lookthrough TTV	4,840	13,275	2,937	689	21,741
Growth on pcp	25%	33%	11%	(17%)	26%
Lookthrough Revenue	1,355	1,942	959	277	4,533
Growth on pcp	17%	33%	74%	(4%)	31%

1. Lookthrough TTV and revenue includes 50% of the BikeExchange Colombia's TTV and revenue respectively for all periods up to 2 March 2022, after which the Group acquired the remaining 50% and 100% of TTV and revenue is included respectively. Refer to basis of preparation on page 18.

Basis of preparation

BASIS OF PREPARATION

The information contained in this presentation is based on the historical financial information (BEX Financial Information) for the BikeExchange Group and should be read in conjunction with the BikeExchange Ltd FY21 Annual Report. It has not been reviewed or audited by the Group's auditor, Deloitte Touche Tohmatsu.

The BEX Financial Information in this presentation is that of BikeExchange Limited Group which is made up of a consolidation of all entities within the Group, except as specifically noted in this basis of preparation. The legacy BikeExchange Holdings Pty Ltd Group was acquired by BikeExchange Limited (previously RPro Holdings Ltd) on 5 February 2021, prior to the Group's listing on the ASX on 9 February 2021. The purpose of the BEX Financial Information is to show certain financial results of the Group for the 3 and 9 month financial periods ending 31 March 2022 (Q3 FY22 and Q3 YTD FY22 respectively) and 31 March 2021 as a comparative (Q3 FY21 and Q3 YTD FY21 respectively).

BikeExchange Limited generated no revenues and acted as an investment holding company prior to the transaction with the BikeExchange Group and so the acquisition of the BikeExchange Holdings Pty Ltd Group by BikeExchange Limited is treated as a reverse acquisition for accounting purposes. Therefore this presentation presents the financial results of the BikeExchange Holdings Pty Ltd Group for Q3 YTD FY21 and Q3 FY21 and the consolidated results of BikeExchange Limited and the BikeExchange Holdings Pty Ltd Group for Q3 YTD FY22 and Q3 FY22.

The BEX Financial Information has been prepared and presented in accordance with the accounting policies set out in the FY21 Annual Report.

NON-AIFRS FINANCIAL INFORMATION

BikeExchange's results are reported under Australian International Financial Reporting Standards (AIFRS). This presentation also includes certain non-AIFRS measures including "KPIs", and "look through". These measures are used internally by management to assess the performance of our business and our Joint ventures, make decisions on the allocation of resources and assess operational management. Non-AIFRS measures have not been subject to audit or review. The following non-AIFRS measures are defined below:

- **Total Transaction Value (TTV)** is the aggregate of revenues, net of sales taxes, generated from display/media sales, retail subscriptions and other online sales and the gross merchandise value for e-Commerce transactions that are executed on the BikeExchange network of websites.
- **Lookthrough basis** - For equity accounted joint ventures and consolidated subsidiaries, add the total revenue or TTV within the reporting period multiplied by the Group's % ownership. All entities are owned 100% by the Group with the exception of the Group's interest in BikeExchange Colombia, which was 50% owned for all periods up to 2 March 2022 when the Group acquired the remaining 50% and consolidated 100% of the entity from that date.
- **Average Revenue per account (ARPA)** is the total revenue for the period for subscriptions earned from retailers and affiliates divided by the average number of paying retailers accessing BikeExchange network of websites for the period, and does not include revenues or accounts relating to BikeExchange's 50% interest in BikeExchange Colombia, prior to the completion of the acquisition on 2 March 2022.
- **Unique Monthly sellers (Sellers)** is the average number of retailers for the period who fulfilled at least 1 e-Commerce order in a individual month.
- **Traffic** represents total unique sessions visiting the Group's network of sites across the period.
- **E-commerce transactions** are the total number of e-Commerce transactions occurring on BikeExchange network of websites in each period. A transaction is defined as a single item or basket of items paid for in a single payment transaction through the BikeExchange network of websites.
- **Average Order Value (AOV)** is the gross merchandise value for e-Commerce transactions that transact on the BikeExchange network of websites divided by the number of e-Commerce transactions for the financial period.
- **Average Commission Rate** - calculated as e-Commerce commission revenue divided by the gross e-Commerce transaction value for all transactions across the relevant period.
- **Prior corresponding period (pcp)** means the equivalent period in the previous financial year.



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